- Thank you for bringing attention to water quality in Oregon. This is the most attention any proposed CZARA decision has received and we welcome the thoughtful public input we've received that will help make our final decision stronger.
- We know you have the right to exercise your objection since we won't be able to meet the May 15, 2014, settlement agreement deadline but thank you for agreeing to talk to us and consider our extension request.
- We all have the same ultimate goal—cleaner water and better protection of salmon habitat in Oregon.
- The federal agencies will need an extension to the May 15, 2014, schedule to make a decision on the Oregon CZARA coastal nonpoint pollution control program.
- The federal agencies received 85 public comments. Many comments are substantial and include lengthy attachments for our consideration, including NWEA's 83 page comment letter and 847 attached documents.
- Oregon also provided an 80+ page submittal that we must consider.
- To do a thorough and thoughtful review and allow for internal deliberations and senior management briefings, we will need additional time to make our decision. Our best efforts would be to make a decision in 120 days.

Ex. 5 - Deliberative

- The federal agencies believe that withholding grant funds is appropriate and consistent with the statute only after the Agencies have made a finding that a state has failed to submit an approvable program. We have not yet made a determination about the State's program.
- We have told the State that we will impose penalties and withhold funds after we make a finding that the state has failed to submit an approvable program and the public has had a chance to weigh in on that decision.
- We believe allowing for an open and transparent public participation process that helps to inform and strengthen our decision is very important. To impose penalties before we have had a chance to carefully consider all comments is premature.
- In the event we find the state has failed to submit an approvable program, it would be the first time. We would need to make sure we have a strong rationale and record for our decision in the event someone challenges on our decision.

• The State is counting on the FY14 grant funds to fund many deserving projects.

CWA Section 319 Funding:

- The state stands to lose \$XXX in their FY14 funding.
- They are proposing to carry out XXX projects with their FY14 funding. These projects are critical to protecting and restoring water quality and salmon habitat and supporting state staff that are working to improve Oregon's CZARA program at this critical juncture.
- EPA add more specific detail.

CZMA Section 306 Funding:

- The state would lose \$597,600 in CZMA Sect. 306 funding. This would cause the state to:
 - Cut 100% of funds it provides to 37 coastal cities and counties to maintain core land use planning functions to carry out Oregon's statewide planning program. This includes working with landowners, reviewing development proposals, preparing and adopting changes to local comprehensive plans and amendments to development ordinances, undertaking studies, and other planning work.
 - Cut all competitive technical assistance funding it provides to local governments. Past projects have increased riparian protection, improved stormwater management, and protected salmon habitat.
 - Cut 1-2 core CZM program staff. This would affect core functions of Oregon's coastal management program, including coastal hazards, offshore energy facility siting, land use planning, government coordination and coastal community development.
 - Cut/Trim all nonessential travel and expenses.

Ex. 5 - Deliberative

- Thank you for bringing attention to water quality in Oregon. This is the most attention any proposed CZARA decision has received and we welcome the thoughtful public input we've received that will help make our final decision stronger.
- We know you have the right to exercise your objection since we won't be able to meet the May 15, 2014, settlement agreement deadline but thank you for agreeing to talk to us and consider our extension request.
- We all have the same ultimate goal—cleaner water and better protection of salmon habitat in Oregon.
- The federal agencies will need an extension to the May 15, 2014, schedule to make a decision on the Oregon CZARA coastal nonpoint pollution control_planprogram.
- The federal agencies received 85 public comments. Many comments are substantial and include lengthy attachments for our consideration, including NWEA's 83 page comment letter and 847 attached documents.
- Oregon also provided an 80+ page submittal that we must consider.
- To do a thorough and thoughtful review and allow for internal deliberations and senior management briefings, we will need additional time to make our decision. Our best efforts would be to make a decision in 120 days. an extension until January 30, 2015 to make our decision.

Ex. 5 - Deliberative

• The federal agencies believe that withholding grant funds is appropriate and consistent with the statute and regulations only when after the Agencies have made a finding that make a decision to disapprove_a state has failed to submit an approvable program's coastal nonpoint pollution plan. -We have not yet made a determination about the State's program.

We have told the State that we will impose penalties and withhold funds if and when after we make a disapproval determination finding that the state has failed to submit an approvable program and the public has had a chance to weigh in on that decision.

 We believe allowing for an open and transparent public participation process that helps to inform and strengthen our decision is very important. To impose penalties before a-we have had a chance to carefully consider all comments determination is made-is premature.

In the event we find the state has failed to submit an approvable program, it would be the first time.
 We would need to make sure we have a strong rationale and record for our decision in the event someone challenges on our decision.

Ex. 5 - Attorney Client

Comment [AC2]: This is important phrasing from CZARA.

Ex. 5 - Deliberative

• The State is counting on the FY14 grant funds to fund many deserving projects.

CWA Section 319 Funding:

- The state stands to lose \$XXX in their FY14 funding.
- They are proposing to carry out XXX projects with their FY14 funding. These projects are critical
 to protecting and restoring water quality and salmon habitat and supporting state staff that are
 working to improve Oregon's CZARA program at this critical juncture.
- EPA add more specific detail.

(Dave Croxton's staff will put together some info. on the amount of 319 funds we would expect to award to Oregon in FY14 and the queue of projects waiting to be funded. We can discuss some of the impacts withholding funds would have on these projects and how that might be perceived as not playing "fair" when the Agencies haven't even made a decision. Might be useful to also have some talking points about impact of withholding 306 funds.)

CZMA Section 306 Funding:

- The state would lose \$597,600 in CZMA Sect. 306 funding. This would cause the state to:
 - Out 100% of funds it provides to 37 coastal cities and counties to maintain core land use planning functions to carry out Oregon's statewide planning program. This includes working with landowners, reviewing development proposals, preparing and adopting changes to local comprehensive plans and amendments to development ordinances, undertaking studies, and other planning work.
 - Cut all competitive technical assistance funding it provides to local governments. Past projects have increased riparian protection, improved stormwater management, and protected salmon habitat.
 - Cut 1-2 core CZM program staff. This would affect core functions of Oregon's coastal management program, including coastal hazards, offshore energy facility siting, land use planning, government coordination and coastal community development.
 - o Cut/Trim all nonessential travel and expenses.

Ex. 5 - Deliberative